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Attorneys for USACM Liquidating Trust

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA**

In re:

USA COMMERCIAL MORTGAGE  
COMPANY,

USA CAPITAL REALTY ADVISORS,  
LLC,

USA CAPITAL DIVERSIFIED TRUST  
DEED FUND, LLC,

USA CAPITAL FIRST TRUST DEED  
FUND, LLC,

USA SECURITIES, LLC,

Debtors.

**Affects:**

- ☐ All Debtors
- ☒ USA Commercial Mortgage Company
- ☐ USA Capital Realty Advisors, LLC
- ☐ USA Capital Diversified Trust Deed Fund, LLC
- ☐ USA Capital First Trust Deed Fund, LLC
- ☐ USA Securities, LLC

Case No. BK-S-06-10725-LBR  
Case No. BK-S-06-10726-LBR<sup>1</sup>  
Case No. BK-S-06-10727-LBR  
Case No. BK-S-06-10728-LBR<sup>2</sup>  
Case No. BK-S-06-10729-LBR<sup>3</sup>

**CHAPTER 11**

Jointly Administered Under Case No.  
BK-S-06-10725 LBR

**DECLARATION OF GEOFFREY L.  
BERMAN IN SUPPORT OF  
STIPULATED MOTION FOR  
APPROVAL OF COMPROMISE  
SETTLEMENT OF CLAIMS FILED  
BY HOMFELD II, LLC AND  
EDWARD W. HOMFELD**

**Hearing Date: March 17, 2011**

**Hearing Time: 2:00 p.m.**

**Estimated Time for Hearing: 10 minutes**

Geoffrey L. Berman declares under penalty of perjury:

1. I am an adult person competent to testify in court.
2. I make this declaration based upon my personal knowledge, and upon the records of USA Commercial Mortgage Company.
3. I am the Trustee of the USACM Liquidating Trust ("USACM Trust"), which is an entity created by the Debtors' Third Amended Joint Chapter 11 Plan of

<sup>1</sup> This bankruptcy case was closed on September 23, 2008.

<sup>2</sup> This bankruptcy case was closed on October 12, 2007.

<sup>3</sup> This bankruptcy case was closed on December 21, 2007.

1 Reorganization (“Plan”), in the jointly-administered bankruptcy cases, In re USA  
2 Commercial Mortgage Company, BK-S-06-10725-LBR, pending in the United States  
3 Bankruptcy Court for the District of Nevada.

4 4. Pursuant to the ADR mechanism established under the Debtors’ confirmed  
5 Plan, I and the Trust’s attorney, John Hinderaker, spoke with Edward Homfeld, the  
6 managing member of Homfeld II, LLC on several occasions (without the assistance of a  
7 mediator), to review the claims filed by Homfeld II, LLC and Edward W. Homfeld in  
8 detail and attempt to negotiate a settlement of the claims. In addition to the documentation  
9 Mr. Homfeld included with the proofs of claim, Mr. Homfeld supplied additional  
10 documentation to support the Homfeld claims.

11 5. I considered the Homfeld proofs of claim, the documents supplied by  
12 Homfeld to support the claims and the dialog between the parties during the telephone  
13 calls about the Homfeld claims. I believe that some of the Homfeld claims are probably  
14 valid and that other portions of the claims arguably have little if any merit. I believe that a  
15 substantial portion of the Homfeld claims might be allowed were the Trust to continue to  
16 dispute the Homfeld claims and bring the dispute before the Court. Thus, disputing the  
17 remainder of the Homfeld claims would require the Trust to undertake fact intensive  
18 litigation in relation to several different loans. I believe that the attorneys’ fees and  
19 expenses the Trust would incur to challenge the Homfeld claims in such litigation would  
20 likely exceed the monetary value to the Trust beneficiaries ultimately derived from  
21 challenging the Homfeld claim.

22 I declare under penalty of perjury that the foregoing is true and correct.

23 Dated: February 11, 2011

24  
25 /s/Geoffrey L. Berman

26 Geoffrey L. Berman

Copy of the foregoing served via e-mail if an e-mail address  
Was available, or by First Class Postage prepaid U.S. Mail  
To all parties in interest listed on the Post Effective Date Official  
Service List on file with the Court on 2/15/11, and a copy to:

Edward W. Homfeld  
2515 N. Atlantic Blvd.,  
Ft. Lauderdale, FL 33305

s/ Marilyn Schoenike  
Marilyn Schoenike  
Lewis and Roca LLP